

Chapter VII - FINANCIAL

The provisions prescribed herein are within the purview of the Assistant Secretary of Defense (Comptroller) (**ASD(C)**). Their inclusion in this manual is for ease of reference by the user. **All requests** for exception or deviation from these provisions, and suggested revisions, should be forwarded to the **ASD(C)**.

A. CHARGES FOR MEALS SOLD

1. Policy

a. The **ASD(C)** will establish charges for meals to recover the food cost with a separate surcharge for operating expenses. A reduced charge may be authorized for children under **12** years of age.

b. Collections for surcharges will be credited 50 percent to the Service's appropriations available for operation and maintenance of the appropriated fund food service activity, and 50 percent to the Service's military personnel appropriation. Where contractor operated dining facilities are **used**, 100 percent of the surcharge **will be credited** to the operation and maintenance (**O&M**) appropriation.

c. Officers and civilians in a travel status and receiving a per diem allowance will not be exempted from **paying** the per diem surcharge.

d. The surcharge will be paid by other Authorized Personnel as defined in **VII-A.2.b**. The following personnel not on per diem are exempt from surcharges: Duty personnel as defined in **VII-A.2.a**; military officer patients in hospitals; enlisted **personnel**; officer candidates; cadets and midshipmen; members of organized nonprofit youth groups; and **NROTC/ROTC** students.

2. Definitions

a. **Duty Personnel**. Those **personnel**, enlisted, officer and civilian who are in the following status:

(1) In hostile fire areas as designated in DoD Manual 7110.1M, DoD Budget Guidance Manual.

(2) On maneuvers and field exercises when subsisting under field conditions at a location actually situated in the field.

(3) While aboard ship.

(4) On *mass* troop movements.

(5) When a unit commander or commanding officer, or a designated representative consumes a

meal to determine the quality and quantity of food Served.

(6) When food service personnel are performing official duties and assignments.

(7) When on an alert status and departure from the unit area is restricted.

(8) When duty assignment precludes departure from the duty area, necessitating subsisting in an appropriated fund dining facility.

(9) While being fed in an enlisted dining facility as a result of an act of Providence when no other dining facilities are available.

(10) While engaged in flight operations as an official crew member or as a passenger *in* a duty status.

b. **Other Authorized Personnel**. Those personnel authorized to **subsist** in the enlisted dining facility who are not defined as Duty Personnel.

c. **Daily Food Allowance**. As defined in DoD Directive 1338.10 and used in lieu of the terms: (daily) subsistence, (**daily**) rations, subsistence in kind, and their variations.

d. **Basic Allowance for Subsistence**. As defined in the DoD Manual 7110.1M.

e. **Appropriated Fund Food Service Activity**. As used in lieu of Government mess, general mess, dining hall, dining facility, **messhall**, galley, field kitchen, flight kitchen, and all similar terms. Appropriated fund food service activities are distinguished from those operated under nonappropriated funds and referred to as an officers' open mess, **club**, **organized** mess, and all similar terms.

f. **Breakfast**. The meal served during the *morn-*ing hours and considered the first meal of the day.

g. **Lunch**. The meal served during midday and considered the second meal of the day.

h. **Dinner**. The meal served during evening hours and considered the third meal of the day.

i. **Brunch**. The **meal** served in lieu of the **normal** breakfast and lunch meals and consisting of both breakfast and lunch food items.

j. **Supper**. The meal served during the evening hours on days when brunch is served.

k. **Night Med**. The meal served during the **late** evening **to** early morning **hours**. (Referred to as the

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midnight meal and may be a breakfast or dinner meal)

3. Requirements

a. DoD Directive 1338.10 authorizes appropriated fund food service **activities** to furnish meals to authorized military and civilian personnel on a reimbursable basis. Enlisted personnel who are on subsistence in kind are furnished meals on a **nonreimbursable** basis.

b. General provisions of DoD appropriation acts require that:

(1) Officers and civilians **sold** meals be charged at such a rate to recover the food costs and operating expenses.

(2) Officers and civilians in travel status receiving a per diem allowance be charged at a rate of not less than \$2.50 per day for **meals** furnished to them.

(3) Payments for meals may be made in cash or by deduction from the pay of civilian employees.

(4) Members of organized nonprofit youth **groups** sponsored at either the national or local level, when extended the privilege of visiting a military installation and permitted to eat in an appropriated fund food service activity by the commanding officer of the military installation, be charged the rate listed in Appendix A.

c. When directives authorize an "at" ration rate, the Services will **determine** the reimbursement rates by application of the definitions in paragraph VII-A.2. of this manual and the current sale of **meal** rates listed under the applicable category in Appendix A.

d. The food service program, of each Service including meals furnished enlisted hospital patients, will budget and amount for such **meals** furnished by its appropriated funded food service activities. **Enlisted** personnel of the other Services entitled to **meals** furnished at government expense will be furnished meals on a **nonreimbursable** basis. Reimbursement among Services is not authorized.

(1) Paragraph **23003B** of DoD Handbook **7220.9H**, "Accounting **Guidance** Handbook" governs the waiver of such reimbursements for transactions of less than \$100.

(2) 10 U.S.C. 1055 does not require reimbursement between the Military Departments for **medical** care, including meals furnished. Accordingly, each appropriated fund food service activity serving medical patients will not be reimbursed for meals

furnished to the medical patients of another Military Department.

(3) Temporary Duty orders will indicate the **daily** food allowance status of the traveler for the purpose of determining whether there will be a **meal** charge.

e. The Services will prescribe the conditions under which personnel other than enlisted personnel **being** furnished the daily food allowance as **established** by DoD Directive 1338.10 may be authorized to receive a meal from an appropriate fund food service activity. As a minimum the following requirements must be met:

(1) No increase in resources will be made available to feed such other **personnel**.

(2) The commanding officer of the DoD installation served by the appropriated fund food service activity must be responsible for determining that the meals are furnished only upon proper authorization and **within** the capabilities and availability of existing facilities.

(3) Enlisted personnel receiving the basic allowance for **subsistence** based on the **nonavailability** of a **daily** food allowance as authorized by DoD Manual 7110.1M **will not be** authorized to receive and pay for a meal furnished by an appropriated fund food service activity, except when the fulfillment of military duties require their occasional visit to a DoD installation.

(4) Civilian and military personnel of foreign governments will be furnished meals in accordance with specific arrangements made between the U.S. Government and the foreign government. In the absence of specific agreements, charges for meals will be made on the same basis as they would be for U.S. Government personnel of equal grade and rank.

(5) Red Cross and United Services Organization Inc. (**USO**) personnel will be authorized to receive meals from appropriated fund food service activities in accordance with DoD Directives 1330.5, American Red Cross and 1330.12, United Services Organization.

f. **Personnel will** not have to pay for any meals furnished to them while **being** evacuated as patients by military aircraft.

4. Meal Rates to be Used

a. Rates to be used for obtaining reimbursement for meals furnished to authorized personnel are set

forth in the table of rates *in* Appendix A of this manual.

b. **Rates** prescribed herein are applicable to meals as food allowances furnished by a Military Service to personnel of Guard and Reserve components who are paid from Guard and Reserve appropriations. Waiver of reimbursement will be **inaccordance** with DoD Handbook **7220.9H** paragraph **23003B**. When Guard or Reserve components are fed in “at” facilities, reimbursement will be at the current sale of meal rate listed under the applicable category in Appendix A.

B. REPORTING FOOD ALLOWANCES. This paragraph establishes the requirements for maintenance of data and information to be used in determining and administering food allowances and prescribes the procedures for counting personnel furnished meals in appropriated fund dining facilities under the daily food allowance and authorized reimbursable programs. The requirements are designed to assist in monitoring food costs and allowances under the program established by DoD Directive 1338.10 and do not cover (a) expenses incurred in preparing and serving food and in operating dining facilities or (b) the recording and reporting of **obligations/expenditures** against the daily food allowance portion of the military personnel appropriations as set forth in DoD Manual 7110.1M.

1. **Requirements.** The requirements contained **herein**, combined **with** the food allowances authorizations in DoD Directive 1338.10 are designed “to make the accumulation of data more consistent throughout the Department of Defense, thus assuring that per capita consumption costs contain the same basic elements for all DoD Components. Every effort should be made to reduce DoD Component unique requirements and to streamline existing systems.

a. **Data System**

(1) The Services will use DoD standard data elements and codes wherever available. All other data elements and codes will be considered interim (nonstandard) *and* subject to change after being disciplined under the criteria contained in DoD Instruction 5000.12, “Data Elements and Data Code Standardization Procedures.”

(2) The system must support budget. **re-**quests based on furnishing **meals** to entitled enlisted personnel by each Service after consideration of the absentee rate, regardless of the member’s parent Service.

(a) Meals furnished to enlisted **personnel** entitled to be fed at Government expense will be provided on a common service basis without **reimbursement**. Each Military Department will **coordinate** with the **other Military Departments** to assure agreement on subsistence requirements.

(b) Enlisted personnel on temporary duty, using another service’s dining facility, will produce orders which indicate their daily food allowance status.

b. **Entitlement**

(1) Enlisted members of the Services are entitled to a daily food allowance for each day that they are on active duty, except when entitled to a basic allowance for subsistence or to a per diem in lieu of subsistence. Additional meals maybe provided when necessitated by *mission* requirements. Meals not actual] y sewed, due to the absence of the enlisted member, will not be counted as part of the daily food allowance actually furnished.

(2) Subject to the requirements set forth in paragraph **VII-A.3.** of this manual, enlisted members receiving basic allowance for subsistence may be **authorized to** eat meals within the capability of the installation and to reimburse the Government for meals eaten.

(3) Others (officers, civilian employees, official visitors, and guests) may be authorized to eat meals on a reimbursable basis within the capability of existing resources as set forth in paragraph **VII-A.3.**

2. **Counting the Number of Persons Furnished Meals**

a. Except in mass feeding situations, as set forth in **VI I-B.2.b.** all personnel authorized **subsistence-in-kind** will be required **to** identify themselves with a meal card *or* travel orders issued by a Military Department before receiving a meal from an appropriated fund dining facility. Enlisted personnel on BAS or per diem, officers, civilian employees, official visitors, and guests authorized to eat on a **reimbursable** basis **will** be required to identify themselves as to category of entitlement (authorized to eat on a reimbursable basis) and status (per diem or non-per diem) and reimburse DoD at the appropriate meal rate before receiving a meal from an appropriated fund dining facility.

b. The following systems will be used to account for meals issued to personnel authorized a daily food allowance:

(1) Each diner **will** sign an appropriate signature record for each meal received. These records will be reviewed at the local **level** and **retained** until verified independently against the reports submitted for the dining facility. Where mass feeding within a specified time period is required, such as at recruit (basic) training centers, special schools, and military correction facilities, a single person responsible for the group may sign for all **diners and certify as to their identification by entitlement classification.**

(2) As an alternative to the above, with the prior approval of the Deputy Assistant Secretary of Defense (Management Systems) (DASD(MS), OASD(C), a meal card number system may be **utilized.** Such a system will be identical to the above except that in place of a signature, the diner's meal card number will be entered on an appropriate record. The meal card number will be recorded by a person independent of the dining facility.

(a) A summary of the recorded data will be furnished **to** the dining facility for its use in preparing necessary reports. The detailed record **will** be maintained to independently verify and support the dining facility's reports and serve as the basis for tests of the propriety of the meal card's use. All records **will** be retained in accordance with approved disposition schedules.

(b) The expected advantages to be gained by use of the meal card number system and the geographic location, military command, **installa-tion(s)** and dining facilities involved **should** be stated on **all** requests for approval of this system. The current absentee rate for the dining facilities involved **should** also be stated on the request.

(c), After 1 year's operation of the meal card number system, the **DASD(MS)** will be advised of the new absentee rate. Any variation in the rate of more than **1%** should be fully explained.

c. The **total count** for each meal will be **classified** and recorded by the diner's category of entitlement and by type of food allowance, i.e., basic, supplemental, and special (by type.)

d. An internal control system **will be** established for the following specific **instances** where a signature **headcount** system is not practicable:

(1) **Combat** conditions.

(2) Other operational conditions, such as: (1) mass troop movement by air, rail, or vehicle convoy;

(2) maneuvers of field exercises, when actually subsisted under field conditions; (3) forces afloat; and (4) emergency conditions of catastrophe and civil disorder.

e. Record forma as necessary will be established by each **DoD component.** **Minimum requirements for the signature record are:**

- (1) Space for individual signature.
- (2) Space for meal card identification.
- (3) Space for rank/grade.
- (4) Space for identification of entitlement category.
- (5) Space for identification of meal served.
- (6) Space for food service facility **identifica-tion.**
- (7) Space for date.
- (8) Space for certification by person obtain-ing signatures and by officer in charge.

3. Meal Conversion

a. Meals served (counted) will be converted to an equivalent man days fed by multiplying the meals served by the following factors:

Meal	Factor
Breakfast	.20
Lunch	.40
Dinner	.40
Brunch	.46
Supper	.55
Night Meal	.20 or .40 depending on whether a breakfast or dinner menu is served

b. The monetary **value** of the basic daily food allowance will be determined from the DoD Food Cost Index shown in **enclosure 1** of DoD **Directive 1338.10** and its approved implementing documents. This "Value of Daily Food Allowance for One Person" multiplied by the equivalent man days fed, computed per (a), above, will be the ceiling for the costs of food served. However, no individual **will** be denied his basic daily food allowance because of an "over ceiling" condition at a dining facility.

c. The **monetary** value of the supplemental food allowance will be determined by adding the **percent-age** authorized for the dining facility to the basic daily food allowance.

d. The monetary value of the special food allowances **will** be authorized for each type by designated Secretaries of the Military Services; for example, submarine food **allowances** are established by the Secretary of the Navy.

e. Guidance for each annual budget submission will be provided by **ASD(C)** and will set forth maximum allowable amounts for the supplemental and for each special food allowance, but in no event will they exceed **15%** of the basic daily food allowance.

4. *Determining Costs of Food Served*

a. The **costs** of food served will be determined monthly or quarterly as agreed to by the **ASD(C)** and the Service concerned for appropriated fund dining facilities, using the established issue price for food issued from supply points and central preparation facilities, and the invoice price for items authorized for **local** purchase. In general, the costs of food served may be determined by the following formula:

Opening Inventory of \$	_____
Food	
Plus Receipts (net of +	_____
returns)	
Less Ending Inventory -	_____

Equals Costs of Food \$	_____
Served	

b. Where special kitchens (e.g., flight kitchens) prepare meals included in the category of special food allowances, a perpetual or periodic **inventory** record may be established for common items and the **costs** of food **served** determined from the recorded issues.

5. *Reporting*

a. Each DoD component will submit one copy of the Food Allowance and Cost Report following the procedures outlined in Appendix B of this manual, to the **Assistant** Secretary of Defense (**MRA&L**), Attention: Directorate for Supply Management Policy, within ninety (90) days of the end of each quarter. A copy **will** also be forwarded **to** the Assistant Secretary of Defense (Comptroller), Attention: Directorate for Military Personnel.

b. This reporting requirement has been assigned Report Control Symbol **DD-Comp(Q)967**.

Enclosures -2.

1. Appendix A - Table of Rates.
2. Appendix B - Food Allowance and Cost Report.